

Creating Connections



NEBRASKA CORN BOARD

30 YEAR REPORT (1978 - 2008)

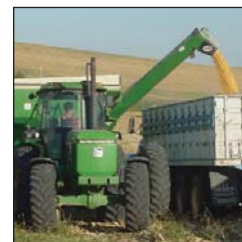
Nebraska corn producers are connected to their neighbors – and the world. From the beef producer across the road to the ethanol plant in the next county, from pork served in Tokyo to a deli container in Atlanta, from a poultry producer in California to a feed mill in Egypt. • In the end, corn ties these industries together, and all depend on each other to be successful. Corn producers depend on livestock and poultry and ethanol production; ethanol producers depend on corn and livestock producers; livestock and poultry producers depend on corn and the ethanol co-product distillers grains. And all require good research to become stronger. • At the same time, corn producers must keep

developing export markets and investigating new uses – and telling their story to policymakers, others in agriculture and the general public. • For the past 30 years, the common connection through all of this for Nebraska corn producers has been the Nebraska Corn Board. • Through the corn checkoff, which was established in 1978, the Nebraska Corn Board strives to connect corn producers to their customers, new products and markets, important research, and policymakers on Capitol Hill. By making these positive connections, the Nebraska Corn Board helps corn producers enhance their profitability and viability.

CREATING CONNECTIONS FOR NEBRASKA'S CORN PRODUCERS

"We fought to get the corn checkoff approved by the legislature. We were convinced corn producers needed to take a more active role in expanding the market for their corn. When you look at what they've done to find new uses and increase demand, I'd say the checkoff has really been beneficial."

Allen Kreuscher — President, Nebraska Corn Growers Association, 1978 — Beatrice

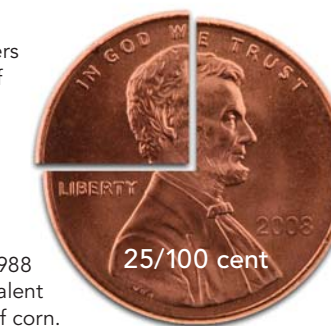


"For 30 years, the Nebraska Corn Board has added to the success of all corn producers in Nebraska. The belief that corn producers can accomplish more — have a stronger stand when we all stand together — is as true today as it was in 1978."

Jon Holzfaster — Chairman — Nebraska Corn Board

Small investment — Big return

Over the past 29 years, Nebraska corn producers have invested a total of 5.95 cents per bushel in the corn checkoff program. The corn checkoff rate, originally set at 1/10 cent per bushel, has been 1/4 cent per bushel since 1988 — a rate roughly equivalent to one kernel per ear of corn.





Corn, livestock and poultry are intrinsically connected. Corn and related co-products, after all, are important feed ingredients in beef cattle, dairy cattle, swine, turkey, broiler and laying hen diets. Combined, they are also corn producers' number one customer.

- Nebraska's livestock and poultry producers contribute billions of dollars to the state's economy, adding value to many local feed ingredients like corn and corn co-products, and using local labor and services.
- Supporting – and growing – the state's livestock and poultry industry, in turn, supports corn producers by maintaining and expanding a critical market for corn and corn co-products. This is why the Nebraska Corn Board became a founding supporter of the Alliance for the Future of Agriculture in Nebraska (A-FAN). Helping new livestock and poultry producers get started or

existing producers expand, A-FAN is necessary if we want to grow animal agriculture in Nebraska.

- The Nebraska Corn Board also works hard to foster good relations with the various livestock groups, including Nebraska Cattlemen, Nebraska Pork Producers, Nebraska Dairy Industries and Nebraska Poultry Industries. These connections have been valuable in addressing challenges and opportunities that arise.
- Growing the animal agriculture sector can bring so many benefits to corn producers and the state as a whole. Corn checkoff dollars support a variety of other activities that benefit the state's animal agriculture industry – from environmental to regulatory issues, from feed to corn co-product research, from foreign market development to open trade. The corn checkoff connects you to your top customer.

CREATING CONNECTIONS WITH LIVESTOCK

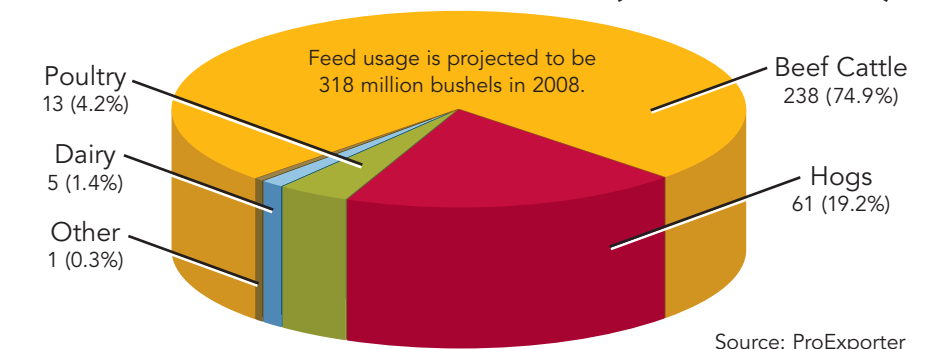
“The Nebraska Corn Board's support for A-FAN has been instrumental in our growth and development as we advance our mission of expanding Nebraska's livestock industry. The Corn Board's vision for and commitment to animal agriculture shows they understand the importance of building and securing a long-term domestic marketplace for Nebraska corn—one that not only benefits Nebraska corn producers, but Nebraska's rural communities as well.”

Lori Luebbe — President — The Alliance for the Future of Agriculture in Nebraska



The Nebraska Corn Board prides itself in working closely with the state's livestock and poultry organizations. Good relationships and open communication benefit everyone and are critical as we promote the growth of the animal agriculture sector.

Corn for Livestock Feed in Nebraska (in million bushels)



The state of Nebraska is a big ethanol exporter. Inside those rail cars and tanker trucks delivering ethanol across the country is a value-added product made from corn. In feed bunks across the state and country are distillers grains, another value-added product produced by the ethanol industry – and your corn. • When the Nebraska Corn Board was founded in 1978, surely it was a farfetched thought that 30 years later the state would see \$1.5 billion in capital investments producing more than 1.2 billion gallons of ethanol with nearly 500 million bushels of Nebraska-grown corn. This success story took years of work funded by your corn checkoff. It took market development, promotions and research. It took dedication and a dream. It took cooperation with state and national corn associations

and the corn producers they represent. • All of these efforts are coordinated through the Nebraska Corn Board, which connects corn producers in Nebraska to politicians in Washington, D.C., researchers across the country, consumers and the media. It ties ethanol production to growing the livestock and poultry industries by promoting the use of distillers grains. It connects ethanol production to rural economies, energy independence and environmental benefits. • The results are astounding. A federal Renewable Fuels Standard requires 15 billion gallons of renewable corn ethanol by 2015. Consumers want renewable fuels, and Nebraska corn producers know they are up to the challenge to satisfy the demand for corn in feed, food and fuel.

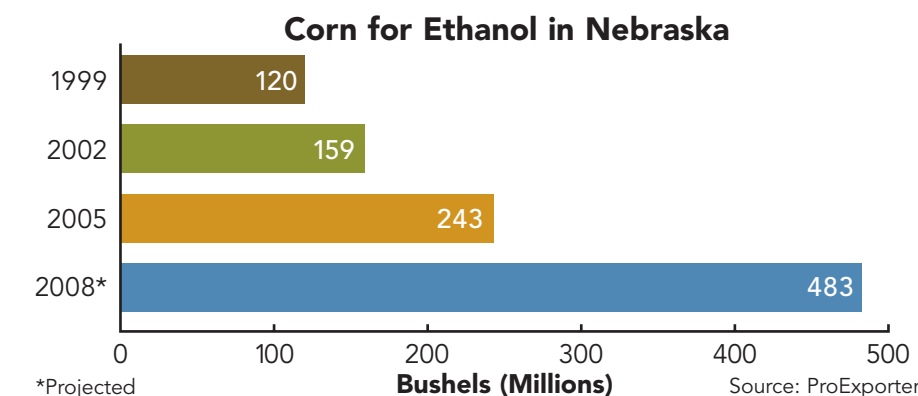
CREATING CONNECTIONS WITH ETHANOL

"I appreciate the work the Nebraska Corn Board is doing to set the record straight on the benefits of corn and ethanol production. It's difficult to stop the dissemination of myths and misinformation, so we need to make sure our side of the story is being told. We've all invested too much and worked too hard to let fiction override the truth."

Chuck Woodside — General Manager, KAAPA Ethanol — Minden



From the initial E10-promoting "Let's Get With It, Nebraska!" campaign to the myth-busting "Powering Nebraska's Economy with Corn" efforts, the Nebraska Corn Board makes it a priority to encourage the use of ethanol and spread the truth about the renewable fuel. Communicating with consumers and media helps make this happen.





Somewhere in Japan, families are enjoying a meal featuring Nebraska beef and pork that was raised on Nebraska corn. In California, poultry and dairy producers are feeding Nebraska corn and distillers grains. In Taiwan, a Nebraska hog producer, on a trade mission, is meeting with restaurant owners. • Your Nebraska Corn Board connects you to all these events through its efforts to promote not only the use of corn and corn co-products for feed, but the value-added meat products that come from the state's livestock and poultry industries. Knowing the additional value and benefits that come from exporting corn through meat, the Nebraska Corn Board now spends three times as much money promoting meat exports as it does bulk corn exports. • Your corn checkoff has backed the U.S.

Meat Export Federation (USMEF) for 29 years. In that time, \$5.12 million of the checkoff has been invested, promoting Nebraska meat products around the world, including critical promotions and trade missions following the discovery of BSE. • With the U.S. Grains Council, the Nebraska Corn Board explained the benefits of biotechnology to media and decision-makers around the world by launching an International Biotechnology Conference. By explaining that biotech makes it safer for farmers to farm and produce larger crops, the Nebraska Corn Board made a difference. • When it comes to exporting corn – as meat, as distillers grains or in bulk form – the Nebraska Corn Board connects you to the world.

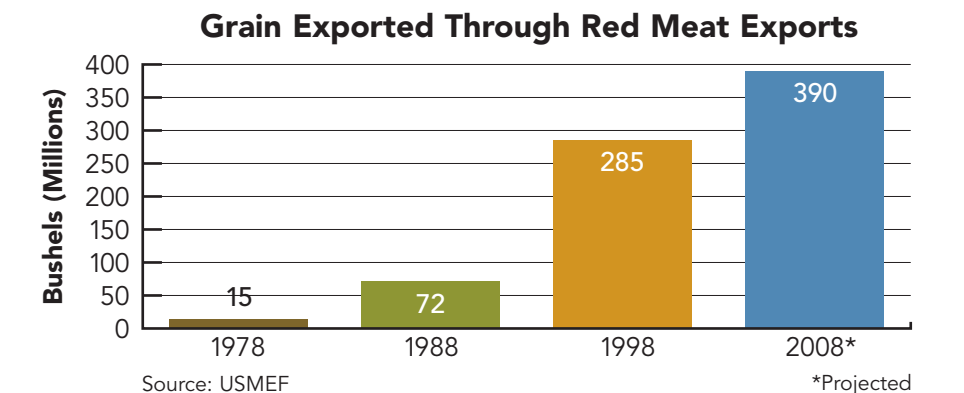
CREATING CONNECTIONS BY DEVELOPING MARKETS

“As our company has grown and sought out market opportunities, we have found the Nebraska Corn Board to be a great friend. Over the years, we have seen tremendous increases in the amount of corn that is being directed into specific markets as identity preserved for food markets, as well as, exports and ethanol. These expansions, along with others, are a direct result of the efforts of the Nebraska Corn Board.”

Todd Gerdes — Specialty Grains Manager — Aurora Cooperative



Making personal visits to meat buyers, restaurant owners and customers in Asia has helped U.S. meat export sales grow considerably. Sponsoring corn and livestock producers on these trade missions helps put a Nebraska face on the product, which is important in these markets.



Good research supports everything your Nebraska Corn Board has accomplished since it was founded 30 years ago. • While pushing for success in the ethanol industry, the Nebraska Corn Board knew the importance of good feeding research for the distillers grains co-product. So early on, the Corn Board began working with some of the top researchers at the University of Nebraska to develop feeding recommendations and models. • Research results and economic calculations demonstrated a powerful benefit of feeding distillers grains to cattle on feed, cattle grazing corn stalks and a variety of other situations. “Real world” results have proven this again and again. • Creative thinking – and research funded by the corn checkoff – helped

create products like corn-based carpet and bio-plastic bottles, deli containers and packaging. All of these renewable products replace others that were petroleum-based. As a bonus, the corn-to-PLA processing facility is located in Nebraska – and is running at capacity. • To help dollars go farther, the Nebraska Corn Board has received more than \$1 million in grants to use for research and market development. Grants help fund efforts that otherwise would be on hold. • Distillers grains, irrigation management, ethanol, the corn genome, polylactic acid (PLA), animal phosphorus management, carbon sequestration. Your corn checkoff connects you to leading researchers in all of these areas and more.

CREATING CONNECTIONS THROUGH RESEARCH

“Support from the Nebraska Corn Board has been critically important to the research that has allowed us to optimize the use of ethanol co-products by the cattle industry. Further, the efforts of the board have encouraged positive attitudes among corn producers, cattlemen and ethanol producers to enhance the synergy among these three entities.”

Terry Klopfenstein — Department of Animal Science — University of Nebraska



To help disseminate distillers grains research, your Nebraska Corn Board helped produce corn co-product manuals. Requests for the first printing exceeded production, and an updated manual was printed in 2007 and is also available online. The manual includes recommendations for feeding distillers grains and corn gluten feed to beef and dairy cattle, poultry and swine.





Reaching out to politicians, consumers, youth groups and the media is a critical role for your Nebraska Corn Board. All of these groups play an important role in current and future corn production. • On Capitol Hill, your corn checkoff supports efforts to monitor, shape and pass farm and energy legislation – from safety nets to the renewable fuels standard. This includes personal visits by Nebraskans to Washington, D.C., to make the voices of corn producers heard, especially at critical times. One vote in Congress can make a difference – and has. • Educating citizens and the media through public speaking efforts, personal contact and news releases helps explain the importance of corn producers to the state of Nebraska. It also gives the Nebraska Corn Board the opportunity to speak on

issues important to corn and livestock producers – to give you a voice. • Knowing that young people will provide the energy and leadership this industry needs in the future, your checkoff also supports groups and activities involving 4-H, FFA, NAYI, Ag in the Classroom and the Nebraska LEAD program. • Keeping producers abreast of important issues helps them succeed. Sometimes, as with StarLink™, it brings a financial impact. In this case, the Nebraska Corn Board assisted growers in filing claims that brought more than \$11 million back to the Nebraska economy. • It is vital that corn producers stay in touch with all of the different opinion makers, regulators and other agriculture groups. Your Nebraska Corn Board helps make that connection.

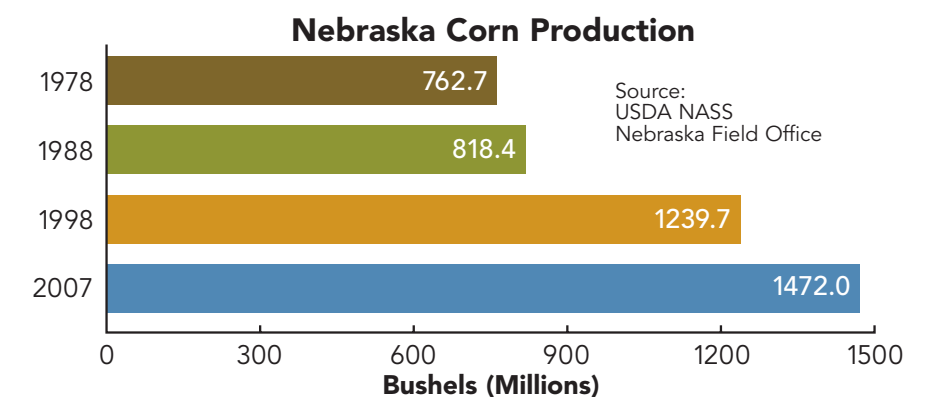
CREATING CONNECTIONS THROUGH PROMOTION AND EDUCATION

“Thanks to the Nebraska Corn Board for all they do in helping Nebraska FFA members prepare for their future in the agricultural industry...for providing the state FFA officers with an E-85 Van to use while traveling across the state and providing financial support to our agricultural proficiency award program. We are proud to have such a strong partnership with the Nebraska Corn Board.”

Sarah Novotny — 2007-08 Nebraska State FFA President — Bushnell



For the first time in 2007, the Nebraska Corn Board and Nebraska Cattlemen journeyed together to Washington, D.C., to address issues of mutual concern with federal officials. The two groups jointly addressed issues such as trade, the environment and distillers grains research.



C hange in agriculture – and the world – is rapid. Yet two things seem very certain: The world’s growing population will continue to need protein and energy. Nebraska corn, fortunately, can be transformed into both – protein in the form of meat, milk and eggs, and a petroleum replacement in the form of biofuels. Connecting corn to protein and energy adds value, creates jobs, displaces oil imports, creates a greener environment and strengthens rural communities. It also gives Nebraska corn producers a demand driven market. • Over the past 30 years, the small investment per bushel that funds the Nebraska Corn Checkoff Program has helped transform Nebraska corn from a surplus commodity to a crop that is in high demand and worth more than \$7 billion to the state’s economy! • Checkoff programs give producers an

opportunity to have some control over their own destiny because they are self-invested, self-governed and accountable. Those that contribute to the mission of checkoff programs should be proud of the accomplishments – but never comfortable that the job is entirely finished. • New challenges come from a population that is more removed from production agriculture and has little understanding of what is involved in supplying the cheapest, most abundant and safest food supply in the world. Fewer policymakers have a personal connection to agriculture. Global competition is heating up. These are important reasons to reinvest in the mission of commodity checkoffs. For the Nebraska Corn Board, that means strengthening existing connections while making new ones across all industries. We owe that to the next generation of farmers and ranchers.



CREATING CONNECTIONS TO THE FUTURE

“One of our major accomplishments was shifting the university’s research projects from production to utilization. We funded much of the early research on ethanol and the utilization of its co-product in livestock rations. The corn checkoff’s impact has been tremendous.”

Floyd Wahlgren — Director, Nebraska Corn Board, 1978-86 — Gothenburg



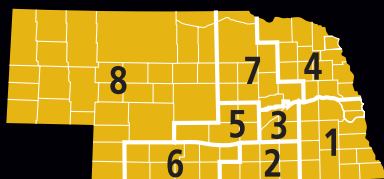
Beef cattle, feed mills, ethanol, meat exports, top researchers, farm bill, hogs, bioplastics, grain elevators, dairy cattle, distillers grains, grain exports, energy bill, poultry. And more. Through your checkoff, the Nebraska Corn Board keeps you connected.

“If not for the wise investment of corn checkoff dollars, Nebraska’s corn industry would not be where it is today. Going forward, we need to build on the connections we have created and the tremendous synergy that exists between corn, livestock and ethanol in the state.”

Don Hutchens — Executive Director — Nebraska Corn Board



www.nebraskacorn.org



Nebraska Corn Board members represent the eight districts indicated on the map and are appointed by the Governor. One at-large member is elected by the other board members.



Dave Nielsen
District 1
Lincoln, NE



Mark Jagels
District 2
Davenport, NE



Stan Boehr
District 3
Henderson, NE



Bob Dickey
District 4
Laurel, NE



Tim Scheer
District 5
St. Paul, NE



Dennis Gengenbach
District 6
Smithfield, NE



David Merrell
District 7
St. Edward, NE



Jon Holzfaster
District 8
Paxton, NE



Alan Tiemann
At-large
Seward, NE



**NEBRASKA CORN DEVELOPMENT,
UTILIZATION & MARKETING BOARD**

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